A large-scale underwater scene. In the upper center, a yellow crane or platform is suspended by a thick cable. Below it, a series of smaller yellow platforms or buoys are connected by a thin line, extending towards the bottom. The seabed is visible, showing various geological features and some small yellow structures. The water is dark blue, and a bright light source from above creates a vertical beam of light. The bottom of the image is overlaid with a colorful, multi-layered geological or seismic scan, showing horizontal bands of green, red, and yellow.

Q3 2022 RESULTS

Oslo, 8th November 2022

Bjørn Petter Lindhom, CEO
Anders Eimstad, CFO

Disclaimer

This quarterly presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Electromagnetic Geoservices ASA (EMGS) and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the EMGS' businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although Electromagnetic Geoservices ASA believes that its expectations and the information in this Report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this Report. Electromagnetic Geoservices ASA nor any other company within the EMGS Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the Report, and neither Electromagnetic Geoservices ASA, any other company within the EMGS Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the Report. Electromagnetic Geoservices ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the Report.

Q3 2022

Operational highlights for the quarter

- Successfully completed seabed mineral survey in the Mid-Atlantic Ridge with newly launched deep-towed receiver system for the ATLAB consortium
- Completed multi-client survey in East Canada
- Started transit toward Trinidad and Tobago for a proprietary survey for Woodside

Financial highlights for the quarter

- Revenues of USD 6.6 million
- EBITDA of USD 3.8 million
- Adjusted EBITDA of USD 1.4 million
- Net income of 0.8 million
- Available cash of USD 11.4 million
- Restricted cash of USD 4.1 million, of which approximately USD 4.0 million is expected to be released in the fourth quarter of 2022

Subsequent events

- Commenced acquisition on the survey in Trinidad and Tobago. Acquisition is expected to be completed towards the end of the fourth quarter



Operations, Market and Outlook

Seabed Minerals Exploration

- The Norwegian Petroleum Directorate (NPD) has initiated an impact assessment for mineral activity on the Norwegian continental shelf
- EMGS well positioned to be a leading service provider in the seabed minerals exploration industry, both in Norway and globally
- EMGS was selected as the acquisition provider for the NTNU led Atlab consortium
- Successful completion of multi-physics survey at the Loki's Castle and Mohn's Treasure marine mineral deposits at the Mid-Atlantic Ridge
- EMGS acquired a suite of geophysical measurements from the Atlantic Guardian, including:
 - Conventional node-based CSEM and MT (Marine Magneto-Telluric)
 - High Frequency deep towed streamer CSEM
 - 2D seismic (operated by PGS)
 - Free fall ocean bottom node seismic in 3,000m water depth (nodes supplied by InApril)
 - Multi-beam bathymetry
 - Series of environmental data (sensors supplied by NORCE)

Impact assessment for mineral activity on the Norwegian continental shelf



On the Norwegian continental shelf, there are sulphides and manganese crusts, containing metals and minerals.

27/10/2022 The impact assessment in connection with the opening process for seabed mineral activities is now being put forward for consultation, with a deadline for responses of 27 January 2023.

Producing seabed minerals could become an important new industry for Norway in the future, while simultaneously helping secure global access to important metals.

[Read the Ministry of petroleum and energy's press release](#) (in Norwegian only)

[Read more about the impact assessment](#) (in Norwegian only)

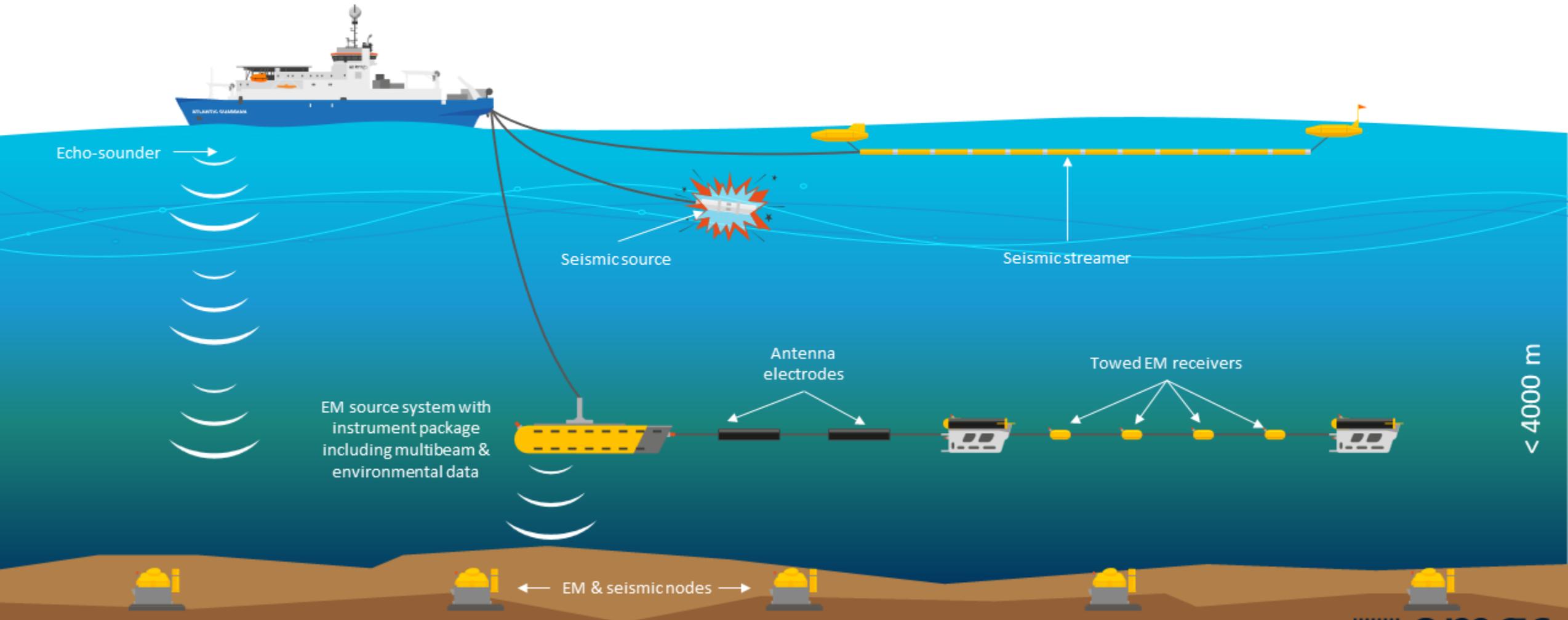
[Facts about seabed minerals](#)

Updated: 27/10/2022

<https://www.npd.no/en/facts/news/general-news/2022/impact-assessment-for-mineral-activity-on-the-norwegian-continental-shelf/>

A first of its kind multi-physics acquisition

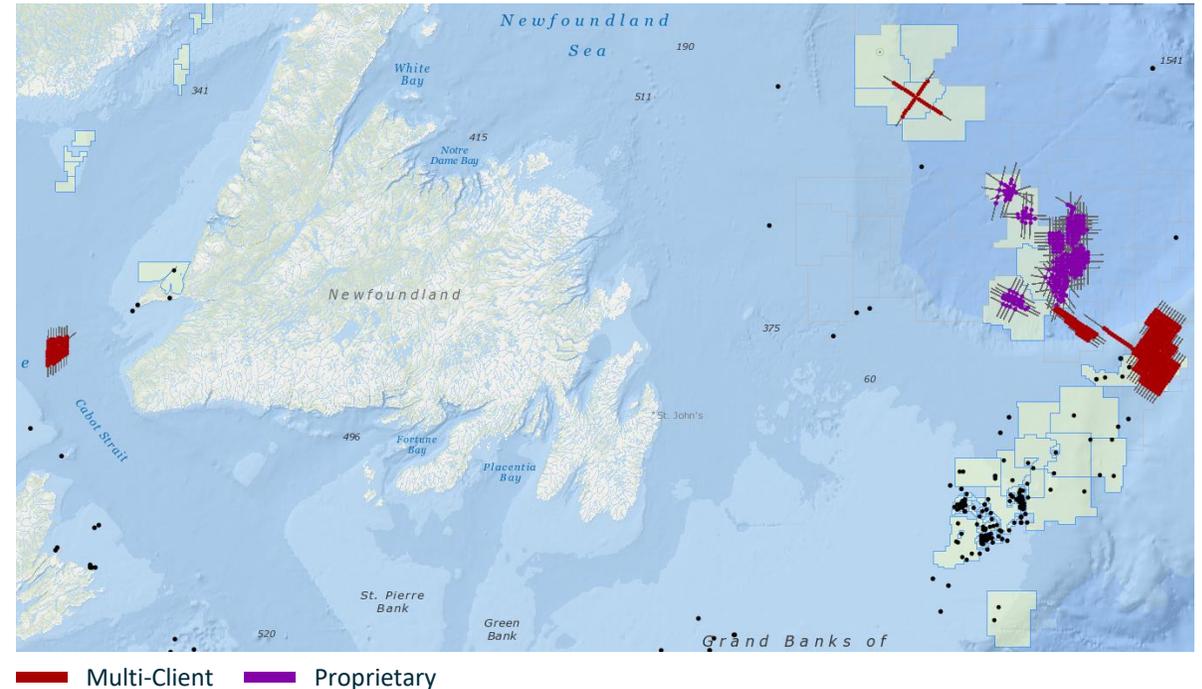
Combining EM + Seismic + Acoustic + Environmental



Multi-Client Project offshore Canada

- Fully prefunded multi-client project in the Orphan Basin offshore Newfoundland
- Project completed on time on the way from Norway to Trinidad and Tobago
- The revenue was USD 2 million and will be recognized in Q4
- EMGS has a long history offshore East Coast Canada and this remains a focus area for EMGS

EMGS Canada experience



Trinidad & Tobago EM survey

- First EM survey offshore Trinidad and Tobago
- Geology offshore Trinidad well suited for CSEM
- Main geological risk is often related to low hydrocarbon saturation, which CSEM can de-risk
- Woodside survey details:
 - Survey vessel: Atlantic Guardian
 - Area/Block: Woodside Calypso project
 - Water Depth: up to 2,500m
 - Deep Blue source and EMGS RxV receivers
- Survey well underway and with an estimated completion late Q4

“This is a significant and historic survey which indicates Woodside Energy’s continued commitment to exploring and pursuing the opportunities of developing our deep water resources. I look forward to being appraised on the outcome of this survey.”

Mr. Stuart R Young

Minister of Energy Trinidad and Tobago

<https://www.energy.gov.tt/meei-officials-tour-woodside-energys-csem-vessel-in-chaguaramas/>



Stuart R Young

@StuartRYoung1

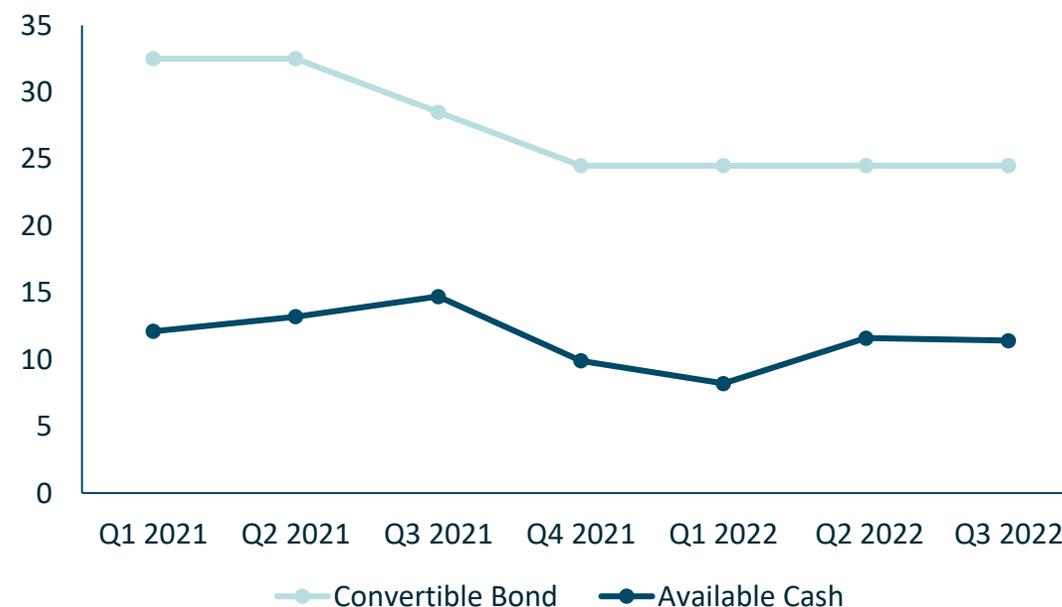
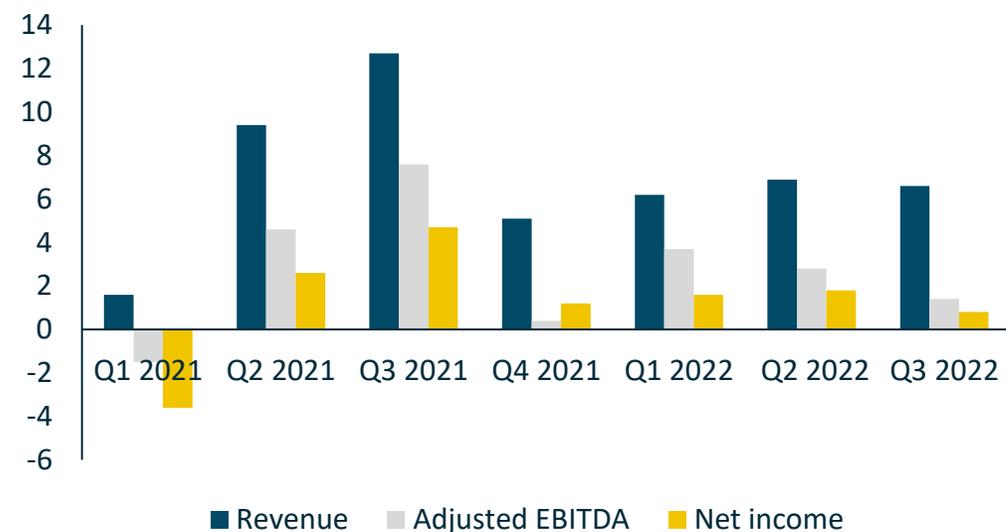
Today I toured the Atlantic Guardian a special vessel here to conduct a Control Sourced Electromagnetic Survey of the deep water for Woodside Energy’s Calypso Project. This is the first such survey to be conducted in TT and augers well for our future development @WoodsideEnergy



Minister of Energy Trinidad and Tobago
Mr. Stuart R Young @ Twitter

Strong financial position

- Q3 2022 is the 6th consecutive profitable quarter for EMGS
- Net income of 0.8 million
- Equity continues to improve (now USD 1.7 million)
- Free cash at end of Q3 was USD 11.4 million, not including approximately USD 4 million restricted cash
- The convertible Bond loan stands at approximately USD 24.4 million
- Firm vessel charter extended with 1 year until October 2023
- The backlog at end of Q3 2022 was USD 14.5 million





Financial review

Third quarter 2022 performance



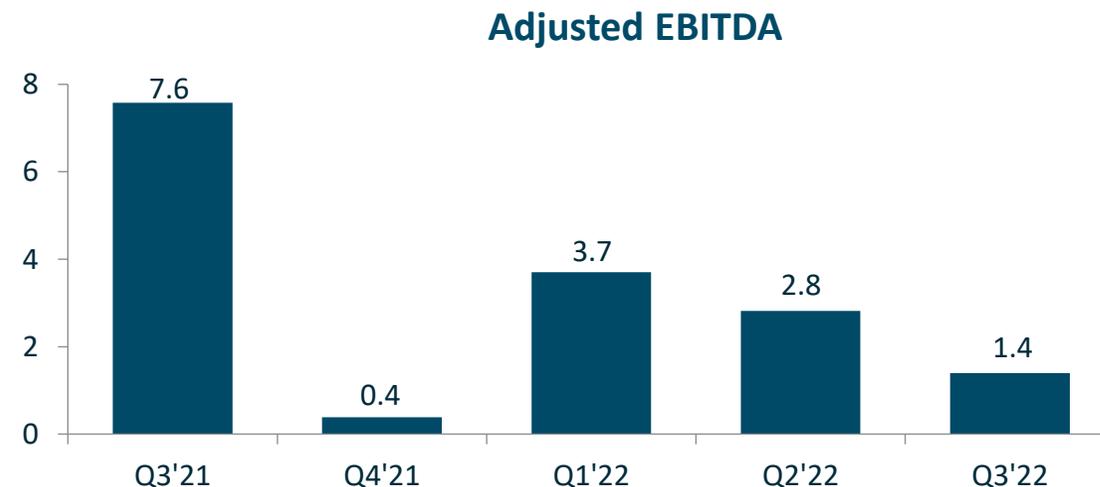
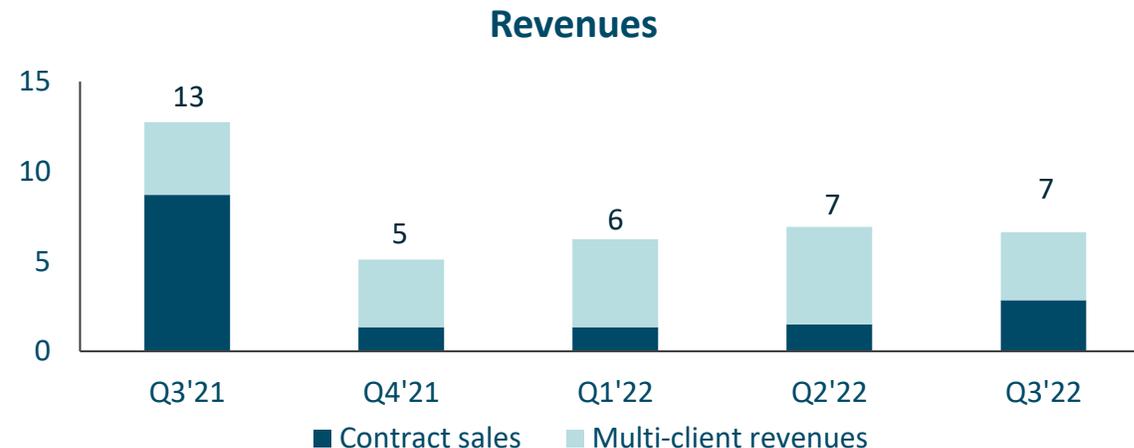
Development in revenues and EBITDA

Key financial metrics

- Revenues
 - USD 6.6 million total revenue
 - USD 3.8 million in multi-client revenue
 - USD 1.6 million in contract revenue
 - USD 1.2 million other revenue
- Vessel utilisation of 22%
 - Atlantic Guardian competed proprietary marine mineral survey for the ATLAB consortium and fully prefunded multi-client survey in East Canada which will be recognised in the fourth quarter of 2022
- EBITDA
 - USD 3.8 million
 - Adjusted EBITDA* of USD 1.4 million

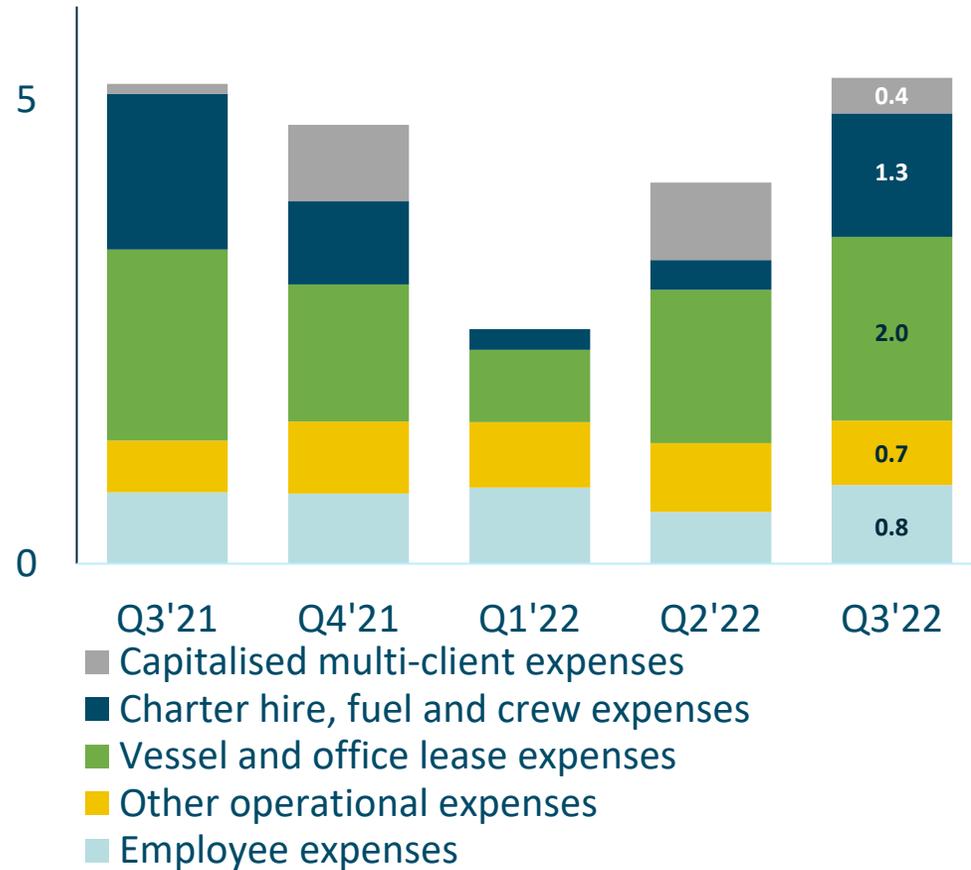
*Adjusted EBITDA includes capitalised multi-client expenses and vessel and office lease expenses

Quarterly development (USD million)



Operational costs

Quarterly operational cost base* development (USD million)



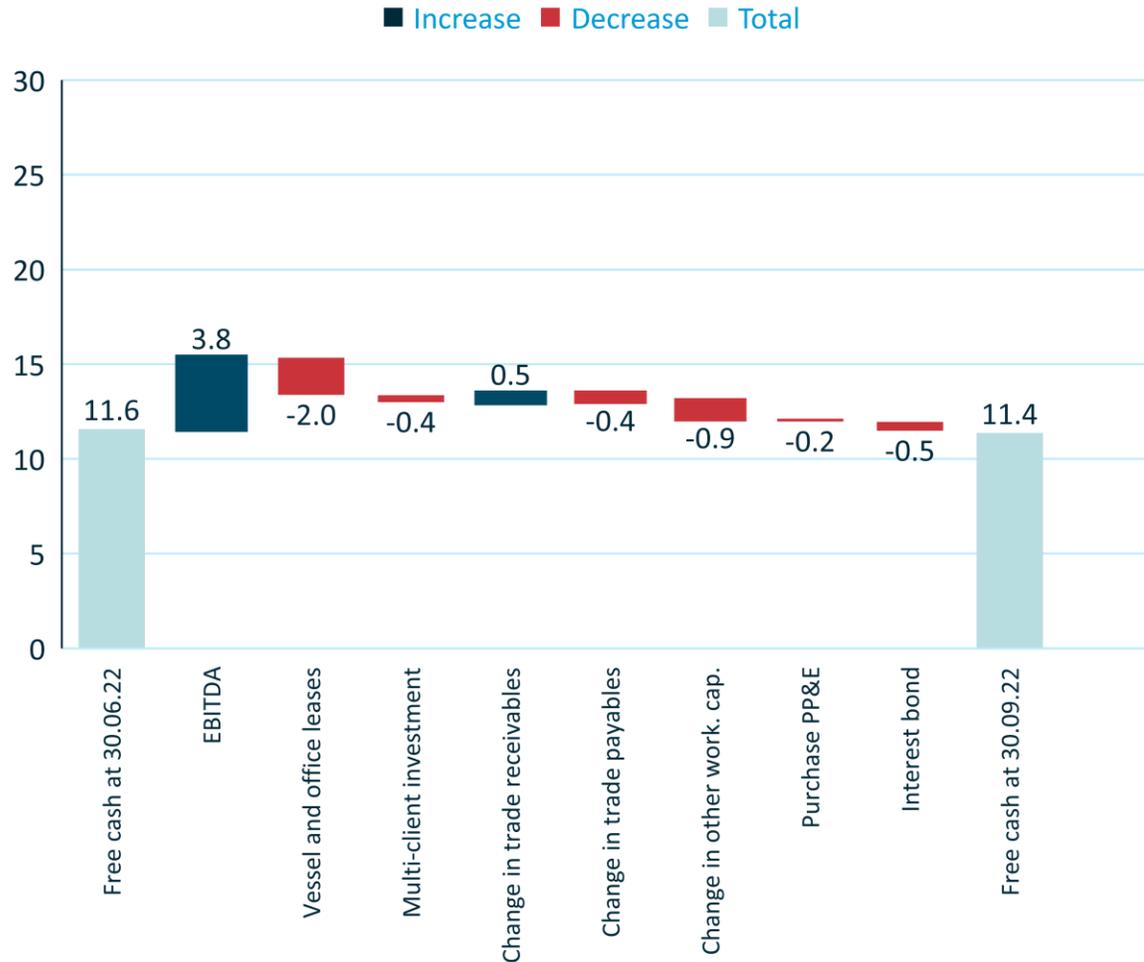
Comments

- Operational costs base in Q3 22 of USD 5.2 million
 - USD 1.1 million higher than Q2 22
 - Other operational expenses and employee expenses remain consistently low
 - Combined Charter hire, fuel and crew expenses are low due to capitalization of the multi-client surveys in the East Canada
 - Vessel and office lease expense higher than the previous quarter as a result of the Atlantic Guardian being out of warm-stack for the entire quarter
 - USD 0.4 million capitalised in the third quarter

*Cost base is defined as operational costs (charter hire etc, employee expenses, other operating expenses) plus MC investments and vessel and office lease payments presented as financial leases from 1 January 2019, restructuring charges and other extraordinary items

Decrease in free cash in Q3 2022

Quarterly free cash development (USD million)



Comments

- Net decrease in free cash of USD 0.2 million to USD 11.4 million
 - Positive Adjusted EBITDA of USD 1.4 million
 - Multi-client investment of USD 0.4 million
 - Trade receivables decreased by USD 0.5 million as compared to the previous quarter
 - Vessel and office leases USD 2.0 million



Q&A

Q & A

Please e-mail questions to: emgs@emgs.com

